

Message Text

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TAGS: EAIR, ELAB, IS
SUBJECT: EL AL SHUTDOWN

1. THE EL AL SHUTDOWN IS NOW IN ITS FOURTH DAY AS BRIEF PROTEST STRIKE HAS TURNED INTO A LOCKOUT, WITH LITTLE PROSPECT FOR A QUICK SETTLEMENT. COMPANY MANAGEMENT HAD FOR SOME TIME TRIED TO COME TO TERMS WITH PERSISTENT STRIKES AND LABOR PROBLEMS BESETTING ITS OPERATIONS. EL AL CLAIMS THAT IN MARCH ALONE, AS A RESULT OF LABOR TROUBLES, IT HAD TO TRANSFER 8,000 PASSENGERS TO OTHER AIRLINES. IT IS NOW INSISTING ON A NO-STRIKE PLEDGE AND A FREE HAND TO DISCIPLINE TROUBLESOME EMPLOYEES, INCLUDING WORKS COUNCIL LEADERS. THUS EL AL'S NEW DIRECTOR GENERAL MORDECHAI HOD, FORMER COMMANDER OF THE ISRAEL AIR FORCE, DECIDED ON CONFRONTATION WITH EMPLOYEES, TAKING HIS CUE FROM THE HANDLING OF THE 3 MONTHS OLD SEAMEN'S STRIKE. HIS FIRST STEP WAS TO REJECT AN EXTENSION OF THE COLLECTIVE AGREEMENTS EXPIRING ON APRIL 1, INSISTING THAT HENCEFORTH EMPLOYEES WORK UNDER INDIVIDUAL CONTRACTS, WITH THE COMPANY RESERVING THE RIGHT TO FIRE AND DISCIPLINE EMPLOYEES.

2. WHEN THE CANCELLATION OF THE CONTRACT BECAME KNOWN, SEVERAL GROUPS OF EMPLOYEES RESPONDED BY CONDUCTING UNCLASSIFIED

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UNION MEETINGS DURING PEAK TRAFFIC HOURS ON APRIL 3, THUS DELAYING FLIGHTS. MANAGEMENT, IN TURN, SHUT DOWN ALL OPERATIONS. IN REACTION TO THE COMPANY'S ANNOUNCEMENT, ALL EIGHT COMPANY WORKS COUNCILS HAVE NOW AGREED TO COMBINE INTO A SINGLE BARGAINING UNIT AND HAVE TURNED TO THE HISTADRUT TO DEFEND THEIR INTERESTS. HISTADRUT APPEALED TO MANAGEMENT TO RESCIND ITS CANCELLATION OF THE

CONTRACT AND TO LEAVE THE QUESTION OF A NO-STRIKE PLEDGE TO COLLECTIVE BARGAINING. IN RETURN, EMPLOYEES WOULD RESUME WORK. HOWEVER, THE COMPANY HAS SO FAR REFUSED AND THE UNITED WORKS COUNCIL HAS APPEALED TO THE LABOR COURT FOR AN INJUNCTION FORCING THE COMPANY TO ACKNOWLEDGE THE CONTINUATION OF THE OLD AGREEMENT.

3. FINANCE MINISTER EHRLICH ANNOUNCED THAT THE GOVERNMENT NOW PLANS TO DISSOLVE EL AL AND TO FORM A NEW COMPANY WHICH WILL RESERVE THE RIGHT TO HIRE ANYONE IT PLEASES. THE NEW COMPANY MAY EVEN CONTRACT OUT SERVICES AND BOTH ITS GROUND AND FLIGHT PERSONNEL ARE TO BE HIRED ON THE BASIS OF A NEW CONTRACT WITHOUT REGARD TO PREVIOUS EMPLOYMENT ARRANGEMENTS.

4. OTHER AIRLINES HAVE ADDED EXTRA FLIGHTS TO TAKE CARE OF PASSENGERS AND CARGO DIVERTED FROM EL AL. INDUSTRY SPOKESMEN SAY THAT THEY HAVE BEEN ABLE TO ABSORB THE EXTRA LOADS WITH ONLY MINOR DELAYS FOR EL AL-TICKETED PASSENGERS. ALL NON-EL AL FLIGHTS IN AND OUT OF TEL AVIV'S BENGURION AIRPORT ARE REPORTEDLY OPERATING ON SCHEDULE. THE CHAOTIC SCENES REPORTED DURING THE FIRST TWO DAYS OF THE STRIKE OF PASSENGERS TRYING TO MAKE ALTERNATE ARRANGEMENTS FOR TRAVEL HAVE NOW SUBSIDED. HOWEVER, THE STRIKE HAS TIED UP ALSO THE EL AL TELEX AND COMMUNICATION SYSTEM, COMPLICATING SHIFTS OF RESERVATIONS TO OTHER AIRLINES AND AFFECTING UNCLASSIFIED

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ALSO THE CONFIRMATIONS OR CANCELLATIONS OF HOTEL RESERVATIONS. THEREFORE, SOME TRAVELERS ARE STILL LIKELY TO HAVE DIFFICULTIES IN ARRANGING FLIGHTS.

5. FLOWER AND FRESH FRUIT PRODUCERS WHO DEPEND ON EL AL FREIGHT SERVICES TO EUROPE CONDUCTED PROTEST DEMONSTRATIONS AGAINST THE COMPANY AND DUMPED THEIR PRODUCE INTO THE STREETS. IN RESPONSE, THE COMPANY AND THE PILOTS HAVE AGREED TO RESUME LIMITED FREIGHT SERVICE.

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